

Market Update

Appointment of Distributor for Vietnam

The Board of Australian Dairy Nutritionals Group (the **Group or ADNL**) is pleased to advise that it has appointed a distributor for the Vietnam market for both the future Gradulac Gentle and Ocean Road Dairies organic A2 range of infant formula. Supply will commence once the products have been registered in Vietnam, expected to take between 1 to 3 months.

Vietnam is considered a promising market in the Asian region as it has a low average age, rising middle class and high rates of birth per capita.

CEO Peter Skene said *“Vietnam, with its growing population and increasing disposable income, presents an ideal environment for the launch of our infant formula ranges. The Vietnamese market is showing strong demand for high-quality trusted Australian products and the feedback we have received from exhibiting in Vietnam, is very positive, particularly in the premium infant formula segment.”*

To successfully enter this market, we have established a partnership with an experienced Vietnamese infant formula distributor who has extensive local market knowledge, established distribution networks and customer relationships, enabling them to reach a wide range of consumers effectively.

Furthermore, we will jointly invest in local marketing initiatives to raise awareness and build brand recognition in Vietnam. Our marketing campaigns will focus on educating parents about the unique benefits and superior quality of our infant formula, establishing trust and credibility among Vietnamese families.

FY24 Farmgate Organic Milk Prices Remain Steady

The Group has also finalised the renewal of its farmgate milk contracts and is pleased to advise that despite a recent softening of conventional milk prices due to reduced international demand, it has contracted all the excess organic milk produced by its farms in FY24 and FY25 at a similar price to FY23. FY23 farmgate milk prices were very strong and the Group is pleased to secure similar pricing over the next two financial years for its farm operations.

Ocean Road Dairies Flagship Store Approved for Tmall

Following the successful launch of the Ocean Road Dairies flagship store on e-commerce platform JD.com.hk, ADNL has approved its Chinese distributor's request to establish a similar store on Tmall. The store is targeted to launch in Q1FY24.

The release of this announcement was authorised by the Board of ADNL.

Ends

Further Details

For additional company information or media enquiries, please contact:

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About Australian Dairy Nutritionals Group

Australian Dairy Nutritionals Group (AHF) is a vertically integrated Australian dairy group which owns high quality organic and organic A2 dairy farms, and a manufacturing facility located in Southwestern Victoria, the 'Golden Triangle' of Australia's dairy industry. AHF manufactures the Ocean Road Dairies infant formula range, Australia's first organic A2 protein infant formula made with farm fresh Australian milk, sourced directly from our organic certified dairy farms.

Disclaimer – Forward Looking Statements

This announcement may include "forward looking statements" within the meaning of securities laws of applicable jurisdictions. These forward-looking statements are not historical facts but are based on AHF's current expectation, estimates and projections about the industry, in which it operates, and beliefs and assumptions. Readers are cautioned not to place undue reliance on forward looking statements.